

South Fremont/Warm Springs Area Studies

PUBLIC PRESENTATION

December 7, 2011



Tonight's Presentation

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- Introductions
- Project Overview
- Economic Findings and Land Use Considerations
- Land Use Alternatives
- Transportation and Utilities Assessments
- Fiscal and Financial Assessments
- Next Steps



Introduction

- City and Consultant Team



Project Overview



Funding and Purpose

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- 2010 Economic Development Administration (EDA) Grant of \$333,000
- Purpose:
 - ▣ Develop economic development strategy for 859-acre study area, which includes Tesla Factory, South Fremont/Warm Springs BART Station
 - ▣ Support the creation of new jobs
 - ▣ Four Studies:
 - Economic and Market Analysis Strategic Plan (completed September 2011)
 - Land Use Alternatives Study (completed September 2011)
 - Infrastructure and Cost Analysis (completed December 2011)
 - Financial Assessment (to be completed January 2012)



Community Outreach

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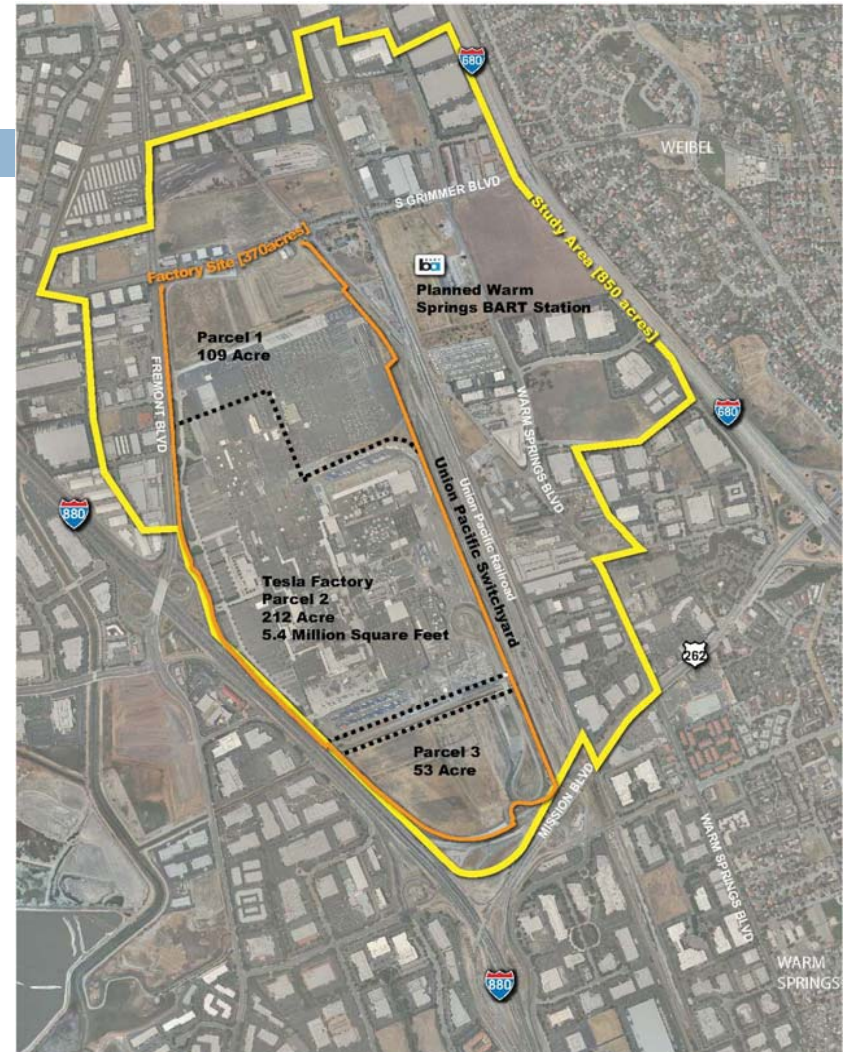
- Community Preferences Survey, Spring 2010
- Website Comments
- Stakeholder Interviews
- Monthly City Council Updates
- School Board Presentations
- Planning Commission Updates
- EDA Updates
- Community Workshops



Study Area

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- Approx. 850 Acres
 - ▣ Primarily Industrial
 - ▣ Vacant: 380 Acres
 - ▣ Underutilized: 73 Acres
- Tesla Factory and Adjacent Parcels
- Planned BART Station
- Transportation:
 - ▣ Good Freeway Access
 - ▣ Good Rail Access
 - ▣ Freeways, Arterials, Rail as Edges



Study Area

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Goals and Objectives

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Community Quality of Life



Connections



Economic Sustainability



Environmental Sustainability



Future BART Station



Job Retention and Creation



Economic Findings



Economic Findings and Recommendations

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- Fremont has Several Distinct Competitive Advantages to Build on
 - ▣ Educated work force; family friendly; innovative industries; existing buildings and vacant land; BART; freeway access and rail; Tesla.
- There is a Long-Term Demand for Multiples Uses
 - ▣ Although timing will be slow and incremental
- Growth in “Innovation Industries” will Continue to be Robust in Fremont
 - ▣ Fremont is well positioned to compete globally



Economic Findings and Recommendations

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- The Plan must include “Infrastructure for Innovation”
 - ▣ Focus on up-front investments in place-making and building a bike- and pedestrian-friendly street system

- Critical Mass for Residential Uses is 2,500 Units, which should be located within ½-mile of the future BART Station
 - ▣ Existing industrial characteristics impacts the viability of some uses



Economic Findings and Recommendations

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- City Should Create a Branding Strategy for the Study Area, to attract complementary uses
- In Near-Term, City Should focus on Tesla as Key Anchor and Cornerstone
 - ▣ Tesla offers the near-term opportunity to make the area a destination and help reinvent the area's overall image



Land Use Considerations



Land Use Considerations

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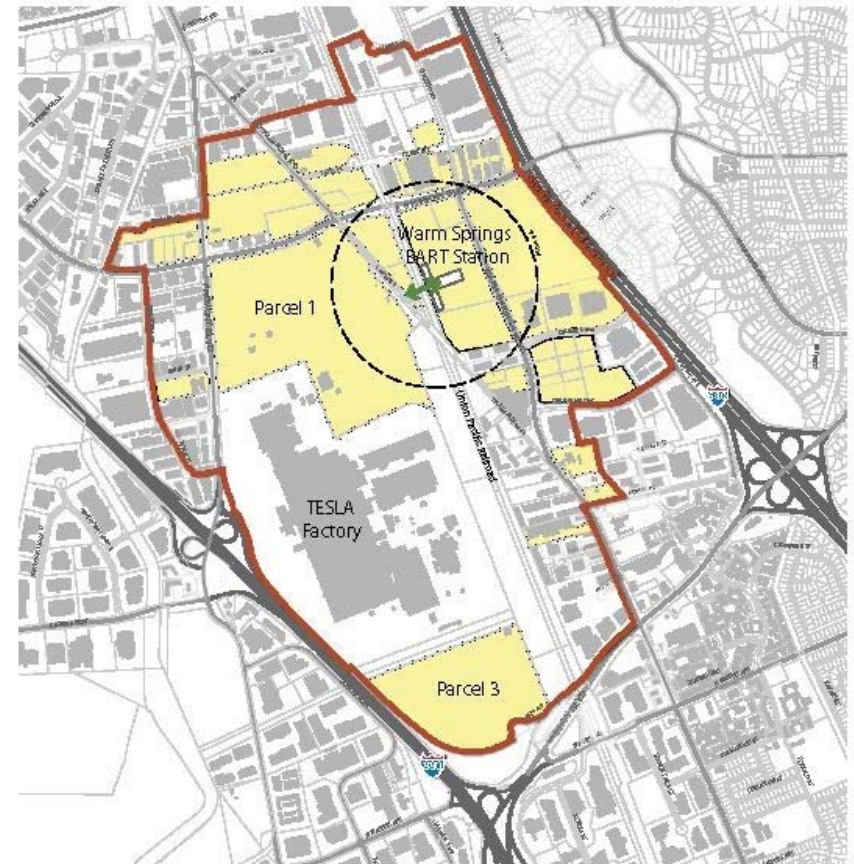
- 1. Intensive Industrial
 - ▣ Study area is one of the last large and contiguous industrial areas in the Bay Area
- 2. Compatibilities and Adjacencies
- 3. Land Use Buffers for Residential Uses
 - ▣ Buffers from: intensive industrial, railroad, freeway
- 4. Transit Oriented Development (“TOD”) at BART
 - ▣ ¼ to ½ mile from station
 - ▣ Jobs or housing focused



Land Use Considerations

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- 5. Vacant/Underutilized Land
 - ▣ Locations subject to change where future development is likely occur



 Opportunity Site (Vacant/Under-utilized Parcels and those subject to land use change)



Land Use Considerations

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- 6. Residential – Critical Mass
 - ▣ Ideal Density: 20 Du/Acre to 70 Du/Acre (i.e. townhomes to 5-story stacked flats)
 - ▣ Critical mass of 2,500 units
 - ▣ Creates a variety of unit types to respond to differing market cycles



Land Use Considerations

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- Challenges:
 - ▣ Limited suitable land for residential development
 - ▣ Proximity to hazardous materials and air quality issues (buffer and/or mitigation required)
 - ▣ Isolation from other residential neighborhoods

- Non-residential use may be more optimal if challenges cannot be resolved
 - ▣ Approach 21st century innovation workplace
 - ▣ Long-term, may be more functional without housing



Land Use Alternatives



Elements in Each Alternative

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- ❑ Intensification/integration with the future BART Station
- ❑ Industrial uses while allowing for other uses
- ❑ Blended office, commercial, and industrial land use category
- ❑ Buffers to residential uses
- ❑ Place-making and high-quality public realm



Three Land Use Alternatives

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The Land Use Alternatives have been completed, following community and City Council input. They are -

- **Alt. 1- Innovation Center/Manufacturing**

- ▣ Retains area for industrial and commercial uses, with a jobs-focused TOD at the future BART station

- **Alt. 2 - Innovation Campus/Residential TOD**

- ▣ Establishes large innovation campus west of, and a high density residential neighborhood east of, BART station

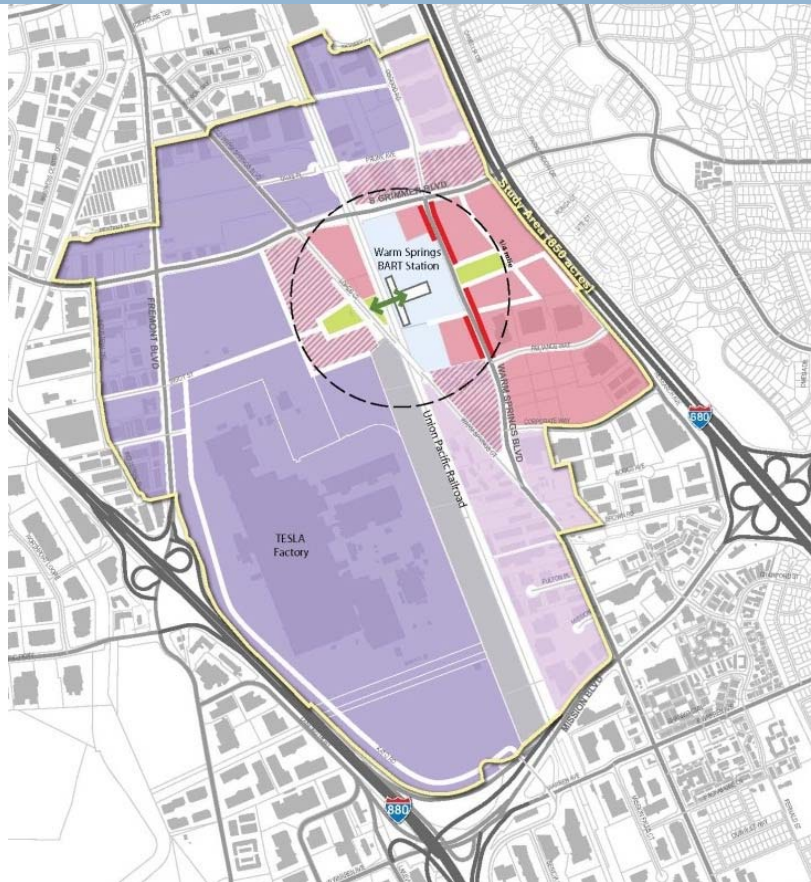
- **Alt. 3: Innovation District/Residential Mixed-use TOD**

- ▣ Provides the most housing with two high-density residential neighborhoods east and west of BART station



Alt 1. Innovation Center/Manufacturing

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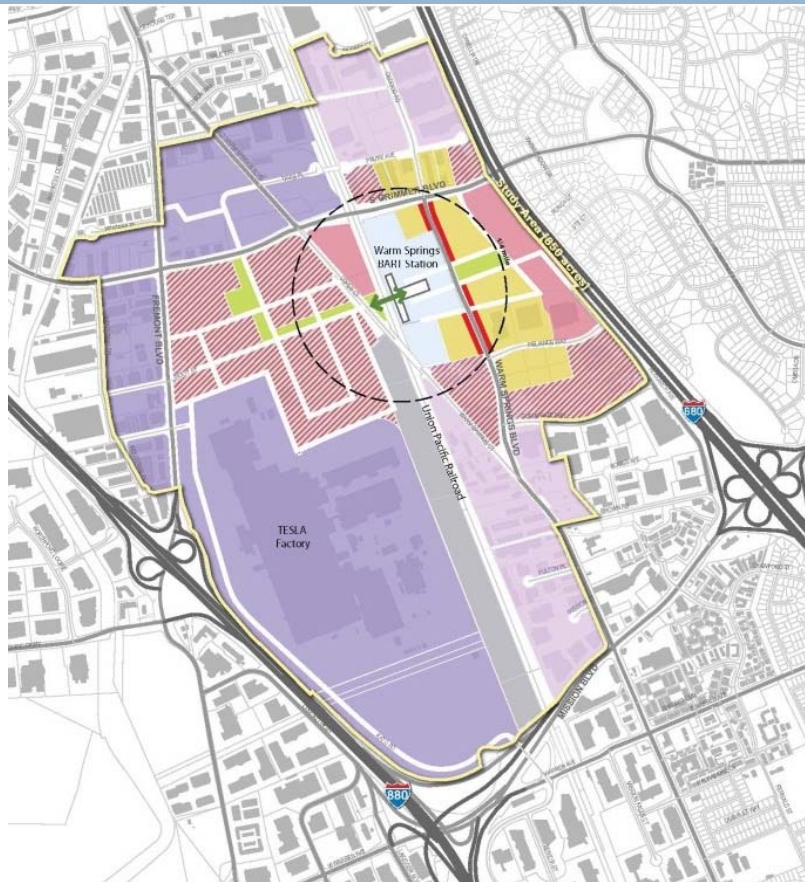


	Industrial - General Industrial/Manufacturing
	Industrial - Technology/Research & Development
	Commercial/Industrial - Office/Research & Development (Could include Special Uses such as entertainment, community facilities, and hotels)
	Commercial High Tech Office (Could include Special Uses such as entertainment, community facilities, and hotels)
	Open Space
	Retail Frontage



Alt 2. Innovation Campus / Residential TOD

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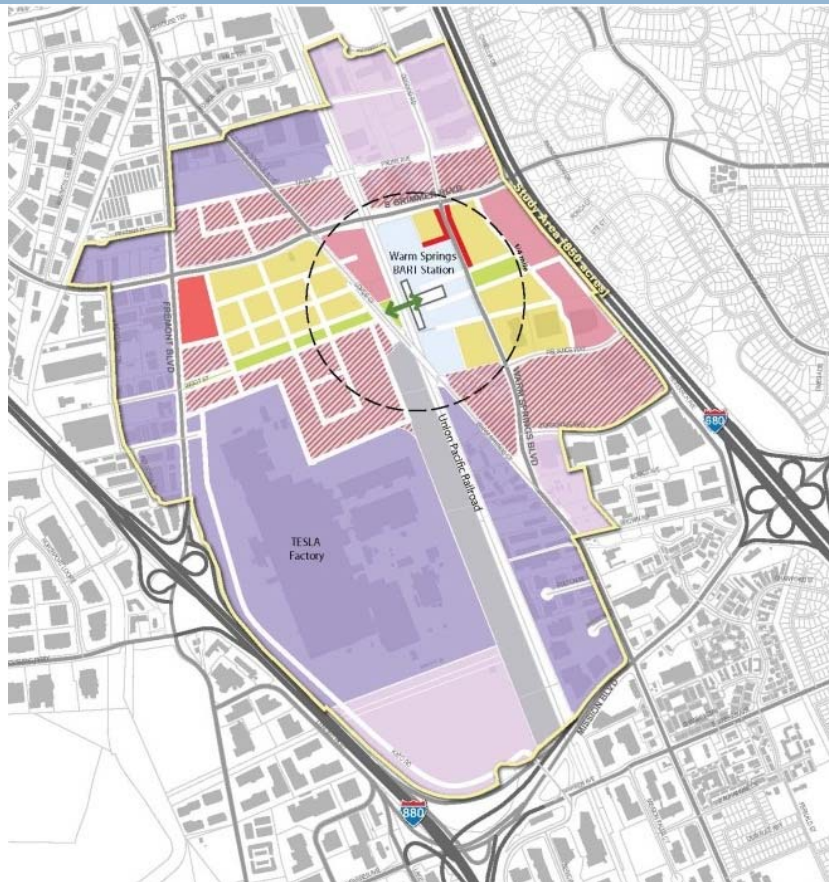


	Industrial - General Industrial/Manufacturing
	Industrial - Technology/Research & Development
	Commercial/Industrial - Office/Research & Development (Could include Special Uses such as entertainment, community facilities, and hotels)
	Commercial High Tech Office (Could include Special Uses such as entertainment, community facilities, and hotels)
	Residential - High Density (Includes support services such as retail, schools, and parks)
	Open Space
	Retail Frontage



Alt 3. Innovation District / Residential Mixed-Use TOD

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	Industrial - General Industrial/Manufacturing
	Industrial - Technology/Research & Development
	Commercial/Industrial - Office/Research & Development (Could include Special Uses such as entertainment, community facilities, and hotels)
	Commercial High Tech Office (Could include Special Uses such as entertainment, community facilities, and hotels)
	Commercial - Retail Center
	Residential - High Density (includes support services such as retail, schools, and parks)
	Open Space
	Retail Frontage



Transportation Assessment



Introduction to Transportation Improvements

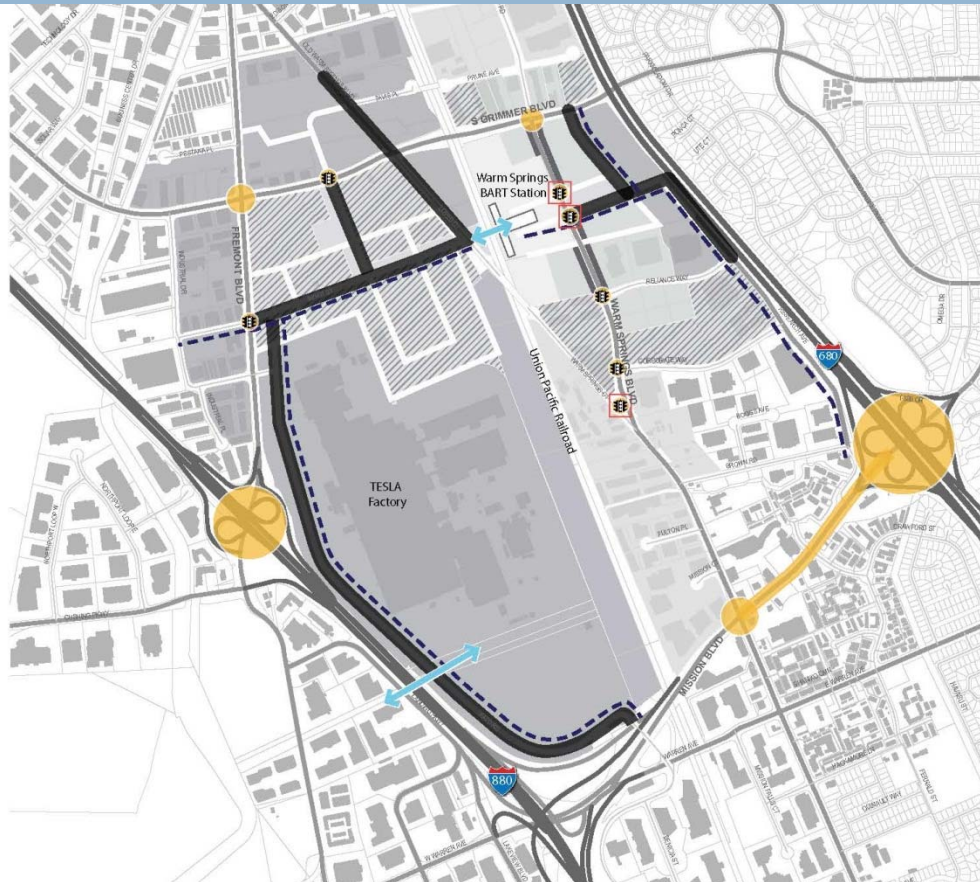
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- **Tier 1**, or “backbone”, improvements are higher priority improvements **anticipated to facilitate development** in the Study Area.
- **Tier 1A** improvements are the **highest priority** Tier 1 improvements which would facilitate and attract the first round of development in the Study Area and support TOD in proximity to the planned Warm Springs BART Station.
- **Tier 2** improvements are less critical and can occur as the Study Area becomes more fully developed.



Tier 1 Transportation Improvements

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- Interchange Improvements
- Local Streets and Intersections Improvements
- New Traffic Signals
- Local Street Connections and New Streets
- Transit, Bicycle and Pedestrian Improvements

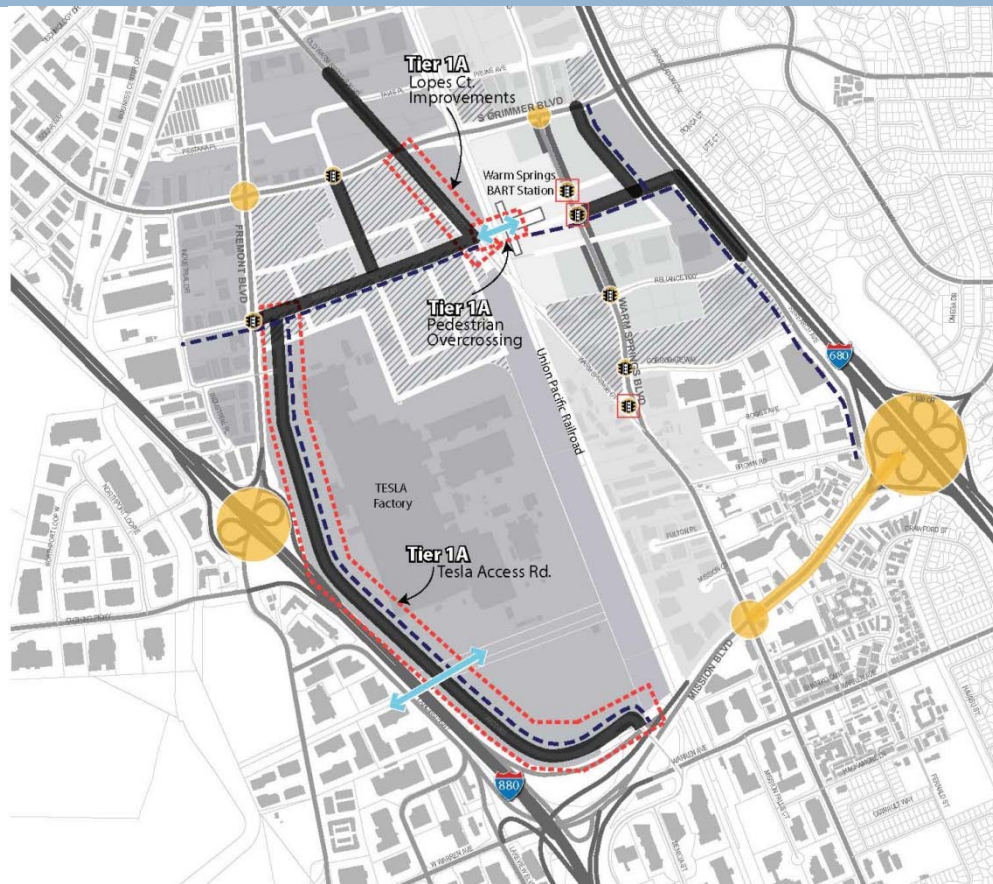
Transportation Improvements Legend

- Pedestrian Improvements
- Traffic Improvements
- Tier 1: Backbone Street Network
- Tier 1: Bicycle Network
- Tier 1A Improvements
- Funded Signalization Project
- Proposed Signalization



Tier 1A Transportation Improvements

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- Convert the Tesla Factory access road to a public access road
- Widen and add streetscape features to Lopes Court
- Undertake BART west-side pedestrian access bridge improvement

Transportation Improvements Legend

- Pedestrian Improvements
- Traffic Improvements
- Tier 1: Backbone Street Network
- Tier 1: Bicycle Network
- Tier 1A Improvements
- Funded Signalization Project
- Proposed Signalization



Utility Assessment



Introduction to Utilities Improvements

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- The Study Area has **sufficient capacity to accommodate the proposed land uses and densities.**
- New utility infrastructure **improvements are substantially limited to extending facilities** to the various development parcels.
- All Tier 1 improvements in all three **Land Use Alternatives are similar.**



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"FULL" represents improvements required over full length of street
 "HALF" represents improvements required over half length of street
 "X LF" represents improvements required over a specific distance
 "N/A" represents no improvements required

Fiscal Impacts



Fiscal and Economic Analysis

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- Three Analyses:
 - ▣ Fiscal Impact Analysis
 - ▣ Employment and Wage Profiles
 - ▣ Economic Impacts



Introduction to Fiscal Impact Analysis

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- Definition of fiscal impact analysis
 - ▣ Impact of growth/new development on City finances
 - ▣ Projection of costs and revenues for City and other public entities
 - ▣ Calculates “net fiscal benefit,” i.e., net loss or gain to City’s General Fund
- Use of results: *Relative outcome comparisons*
 - ▣ Compare relative benefits of land use alternatives
 - ▣ Determine major cost and revenue drivers
 - ▣ Investigate sensitivity to different outcomes

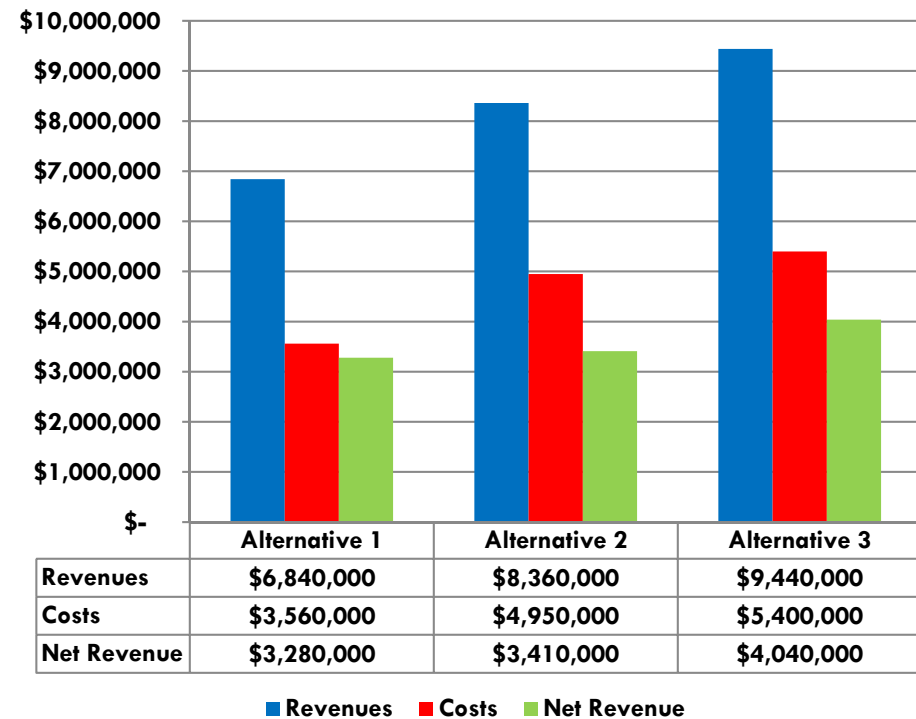


Fiscal Impact Analysis Findings

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- Alternative 3 provides greatest relative revenue
- Alternative 1 provides highest revenue relative to costs

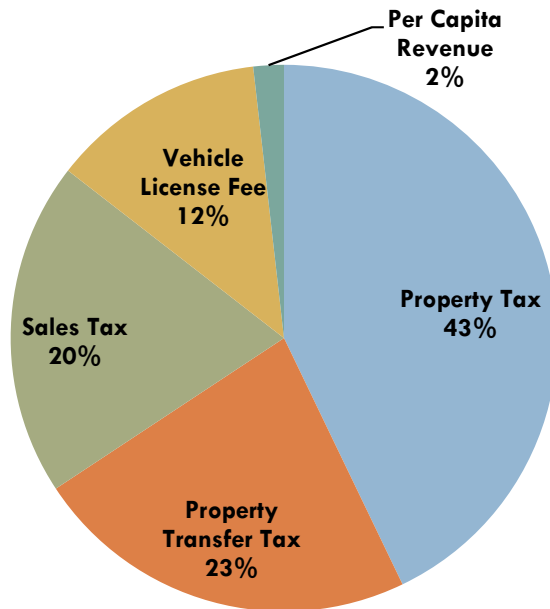
Comparison of General Fund Revenues and Costs



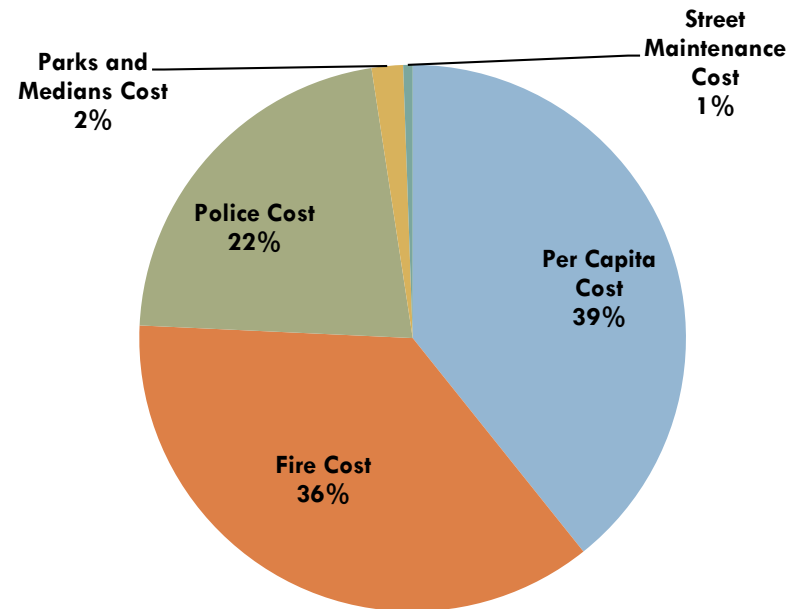
Fiscal Impact Analysis Findings

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Alternative 3 Revenues



Alternative 3 Costs



Jobs and Wage Findings

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- Jobs, occupations, and wages
 - ▣ Land uses were linked to likely industries and occupations
 - ▣ Alternative 1 provides highest share of production, maintenance, installation jobs
 - ▣ Alternatives 2 and 3 provide higher shares of professional services and research jobs



Jobs and Wage Findings

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Top Occupations for Proposed Land Use Alternatives

Occupation Type	Alt 1 % of Total	Alt 2 % of Total	Alt 3 % of Total	Mean Annual Wage Range (Oakland-Fremont MSA)
Production, Distribution, and Repair	21%	19%	15%	\$37,890 to \$53,130
Professional and Technical Services	36%	36%	38%	\$79,470 to \$90,170
Sales, Management, and Administration	38%	38%	38%	\$41,370 to \$121,970
Other	5%	7%	8%	N/A
Total (All Occupations)	100%	100%	100%	\$56,360

Source: OES, 2010; BLS, 2010 and 2011; Strategic Economics, 2011.

Jobs and Earnings Associated with Land Use Alternatives

Land Use Designation	Jobs	Average Compensation per Job
Alternative 1	23,200	\$ 100,500
Alternative 2	17,700	\$ 100,600
Alternative 3	18,800	\$ 102,300

Sources: BLS, 2010 and 2011; Strategic Economics, 2011.

Note: Totals may not sum due to rounding.



Economic Impact Analysis Findings

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- “Ripple effect” of a dollar circulating through the regional economy
 - ▣ Measured at larger geographies due to regional nature of economies
- Measures additional jobs, “output” (sales of goods/services/materials), and worker earnings



Economic Impact Analysis Findings

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- Alternative 1 provides highest overall benefits
- Alternative 3 provides highest benefits relative to the number of jobs



Next Steps



Next Steps

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- ❑ Completion of Fiscal Assessments January 2012
- ❑ Summary presentation of Warm Springs/South Fremont Area Studies to City Council February 2012
- ❑ Community Plan process commences 2012

